IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF GEORGIA ATHENS DIVISION

SAINT JOSEPH'S AT EAST GEORGIA, INC.,

Plaintiff,

CASE NO. 3:09-CV-68 (CDL)

vs.

*

PACER HEALTH CORPORATION, INC.,

Defendant.

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ORDER

In this action, Saint Joseph's at East Georgia, Inc. ("SJEG") asserts claims against Pacer Health Corporation ("PHC") based upon PHC's guaranty of certain obligations of its wholly owned subsidiary, Pacer Health Management Corporation of Georgia ("Pacer"). SJEG has filed a Motion for Partial Summary Judgment (Doc. 16).

The underlying dispute between SJEG and Pacer, which involves the claims allegedly guaranteed by PHC, is presently being arbitrated pursuant to an arbitration agreement between Plaintiff and Pacer. Although the parties have not yet raised the issue, it appears that the claims asserted in the present action against PHC may likewise be subject to arbitration. See MS Dealer Serv. Corp. v. Franklin, 177 F.3d 942, 947 (11th Cir. 1999) (explaining that equitable estoppel and close relationship between signatory and nonsignatory defendants may authorize arbitration as to nonsignatory defendant). Without deciding that issue today, the Court does find that the outcome of the arbitration involving Plaintiff and Pacer may have an impact on

Case 3:09-cv-00068-CDL Document 20 Filed 10/30/09 Page 2 of 2

the present action against PHC. Therefore, the Court finds it appropriate to stay this action pending a resolution of the presently

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pending arbitration.

When that arbitration has been concluded, either party may file

a motion to lift this stay. At that time, the Court will determine

the legal effect of the arbitration on the present action.

Accordingly, the Court denies Plaintiff's Motion for Partial Summary

Judgment (Doc. 16) without prejudice at this time. Plaintiff may

refile that motion if and when the present stay is lifted.

IT IS SO ORDERED, this 30th day of October, 2009.

S/Clay D. Land

CLAY D. LAND

UNITED STATES DISTRICT JUDGE

2